U. S. Officials Only

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

COUNTRY Italy

SUBJECT Oil Field Discovery 25X1A

PLACE ACQUIRED

DATE ACQUIRED

DATE (OF INFO.)

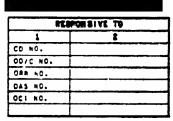


OF THE UNITED STATES, DITHIN THEMENDING OF TITLE 18, SECTIONS THE AMB 756. OF THE U.S. CODE, AS AMENDED. ITS TRANSMISSION OD GEVE. Lation of its contints to od receipt by an unauthorized person is RAMIALIAN RY LAR. THE REPRODUCTION OF THES REPORT IS PROBLETED

25X1X

THIS IS UNEVALUATED INFORMATION

25X1A



DATE DISTR. /5 Mar 54

NO. OF PAGES 1

NO. OF ENCLS.

SUPP. TO REPORT NO.



- 1. An operating subsidiary of a major US oil company has opened petroleum production in a new field at Pendente in the province of Ragusa, Sicily. The discovery well was drilled to a depth of 2,900 meters and found oil-bearing formations at 2,655 meters. Although no exact producing potential has been reported on the discovery well, two other tests are being drilled which will help to define the producing limits of the structure, and is estimated on the basis of information already at hand that the field should be able to maintain a producing rate of 250 thousand metric tons yearly.
- 2. Meanwhile, following the discovery of oil production, increasing pressure is being brought by the Italian state-controlled companies to prevent the Sicilian Regional Government from granting additional exploration and development permits to foreign oil interests. Unofficial figures indicate that of a total of one million hectares of area, including Bagusa Province, upon which permits may be granted by the Sicilian authorities, only 30% may be let to foreign firms. Italian businessmen feel that the total exploration program can best be accelerated by allowing foreign capital to participate.

LIBRARY SUBJECT & AREA CODES

622.021 219M 779.43 19M

U.S. Officials Only

CONFIDENTIAL

DISTRIBUTION - STATE

X ARMY X HAV CONFIDENTIAL FOI